### UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF OHIO EASTERN DIVISION

RevoLaze, LLC,

Plaintiff,

V.

Civil Action No. 1:14-cv-1799

American Eagle Outfitters, Inc.,

Judge Patricia A. Gaughan

Defendant.

# DEFENDANT AMERICAN EAGLE OUTFITTERS, INC.'S MOTION TO STAY PROCEEDINGS PURSUANT TO 28 U.S.C. § 1659

Pursuant to 28 U.S.C. § 1659(a), American Eagle Outfitters, Inc. ("AEO") respectfully requests that the Court stay all proceedings in this action pending disposition of a related proceeding, *In the Matter of Certain Laser Abraded Denim Garments*, USITC Inv. No. 337-TA-930, before the United States International Trade Commission ("ITC" or "Commission") under section 337 of the Tariff Act of 1930. The parties to this action are also parties to the ITC investigation, and the two matters involve the same patents and the same patent-related issues. RevoLaze has stated that it does not oppose this motion to stay.

#### I. ARGUMENT

#### A. AEO Is Entitled To a Mandatory Stay Under 28 U.S.C. § 1659(a)

Federal law provides for a mandatory stay of related civil actions that involve the same parties and the same issues pending final disposition of related proceedings before the ITC:

(a) Stay. - In a civil action involving parties that are also parties to a proceeding before the United States International Trade Commission under section 337 of the Tariff Act of 1930, at the request of a party to the civil action that is also a

respondent in the proceeding before the Commission, the district court shall stay, until the determination of the Commission becomes final, proceedings in the civil action with respect to any claim that involves the same issues involved in the proceeding before the Commission, but only if such request is made within –

- (1) 30 days after the party is named as a respondent in the proceeding before the Commission, or
- (2) 30 days after the district court action is filed, whichever is later.

  28 U.S.C. § 1659(a); see also In re Princo, 478 F.3d 1345, 1355 (Fed. Cir. 2007) (granting a writ of mandamus and directing a district court to stay proceedings pursuant to 28 U.S.C. § 1659(a) until the ITC proceeding became final, i.e., "no longer subject to judicial review."). Thus, this section requires a stay of this District Court action until the determination of the Commission becomes final.

AEO's request for a stay satisfies 28 U.S.C. § 1659(a). The plaintiff in this Court, RevoLaze, LLC, is also the complainant before the ITC (in the ITC, RevoLaze's affiliate, TechnoLines, LLC, is a complainant with RevoLaze); and the defendant, AEO, is a respondent in the same proceeding before the ITC. *See* Commission's Notice of Investigation, *In the Matter of Certain Laser Abraded Denim Garments*, USITC Inv. No. 337-TA-930, published in the *Federal Register* on September 23, 2014 (attached as Exhibit 1). The pending ITC investigation involves allegations that AEO has infringed six patents – namely, U.S. Patents Nos. 5,990,444; 6,140,602; 6,252,196; 6,664,505; 6,819,972; and 6,858,815. RevoLaze asserts that AEO infringes these same six patents in this action. In the ITC investigation and this District Court action, all issues relating to the asserted patents – for example, asserted infringement, validity, and enforceability – are the same, as well as any defenses that AEO might raise.

AEO's request is timely. The ITC formally named AEO as a respondent by publishing its Notice of Investigation in the *Federal Register* on September 23, 2014. *See* 19 C.F.R. § 210.3 (defining respondent as any "person named in a notice of investigation"). Thus, the 30-day

period under Section1659(a)(1) began to run on September 23, 2014, and ends on October 23, 2014. As such, AEO's request is timely.

## B. The Time For AEO's Response To The Complaint Has Not Run

AEO was served with the Summons and Complaint in this case on August 21, 2014. On September 10, 2014, the Court approved AEO's request for an extension of time to move or plead until October 11, 2014. In requesting this stay pursuant to 28 U.S.C. § 1659(a), AEO expressly reserves any and all of its objections and defenses, including, but not limited to, any defenses based on lack of jurisdiction, improper venue, insufficiency of process and insufficiency of service of process.

#### II. CONCLUSION

For the foregoing reasons, AEO's motion for a stay should be granted and plaintiff's claims in this action should be stayed.

Respectfully submitted,

September 25, 2014

By: /s/ David P. Shouvlin

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Attorneys for Defendant American Eagle Outfitters, Inc.

## **CERTIFICATE OF SERVICE**

I hereby certify that a true copy of the foregoing was served via the Court's electronic filing system this 25th day of September, 2014.

/s/ David P. Shouvlin
David P. Shouvlin